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December 11, 1998

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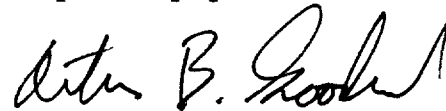
Magalie Roman Salas, Esq.
Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, DC 20554

Dear Ms. Salas:

Transmitted herewith, on behalf of Lamco Communications, Inc., are an original and nine copies of its comments filed in connection with CS Docket No. 88-201, In re Satellite Delivery of Network Signals to Unserved Households for Purposes of the Satellite Home Viewer Act. Through wholly owned subsidiaries, Lamco is the licensee of the eight television stations listed at pages 1-2 of its Comments.

In the event there are any questions concerning this matter, please contact the undersigned.

Very truly yours,



Arthur B. Goodkind

Enclosure

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Before the
Federal Communications Commission
Washington, D.C. 20554

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In the Matter of)	
)	
Satellite Delivery of Network)	CS Docket No. 98-201
Signals to Unserved Households)	RM No. 9335
for Purposes of the Satellite)	RM No. 9345
Home Viewer Act)	
)	
Part 73 Definition and)	
Measurement of Signals of)	
Grade B Intensity)	

COMMENTS OF LAMCO COMMUNICATIONS, INC.

I am the President of Lamco Communications, Inc. ("Lamco"), and file these comments in response to the FCC's Notice of Proposed Rule Making in the above-captioned proceeding. Through wholly owned subsidiaries, Lamco is the licensee of eight television stations and of numerous television translator stations associated with several of the main stations. Lamco's television stations are licensed to the following communities:

WCYB-TV, Bristol, Virginia

WCTI(TV), New Bern, North Carolina

KRCR-TV, Redding, California

KAEF(TV), Arcata, California

KTXS-TV, Abilene, Texas

KECI-TV, Missoula, Montana

KCFW-TV, Kalispell, Montana

KTVM(TV), Butte, Montana

Each of our television stations is affiliated with either ABC or NBC and each of the stations also provides a substantial locally-oriented news program service for the area it serves. Our ability to sustain advertiser support for our news and other local programming services is adversely affected when direct-to-home satellite service providers unlawfully sell distant network signals that duplicate our stations' network program offerings in their own markets.

I believe that information concerning our frustrating experiences in confronting illegal satellite signal importation in Lamco's California and Montana television markets will be helpful to the Commission in resolving this proceeding. While the experience of our California and Montana stations is broadly typical of our experience elsewhere, I shall focus on these

stations in view of the particularly high percentages of satellite subscribers in their markets.¹

I. LAMCO'S EXPERIENCE IN THE CHICO-REDDING AND EUREKA-ARCATA MARKETS

Lamco does not object to satellite delivery of network stations to satellite subscribers who really cannot receive an off-air Grade B signal from a Lamco station. This is demonstrated by the fact that in our two California markets, over the last four months, we granted 41 of 420 network signal "waiver" requests with respect to KRCR-TV, Redding, and 18 of 60 such requests with respect to KAEF(TV), Arcata. In each of these cases, we determined that the satellite subscriber requesting the waiver did not have the ability to receive our station off the air.²

¹ The most recent A.C. Nielsen data as to percentages of households receiving satellite signals in our California and Montana markets is as follows:

Chico-Redding, CA	17.2%
Eureka-Arcata, CA	11.0%
Missoula, MT	28.9%
Butte-Bozeman, MT	24.8%

² Approximately 120 of the KRCR-TV waiver requests were made
(continued...)

Our experience has been that many people who call or write us requesting waivers have no knowledge at all concerning the basis on which a waiver should be granted or denied and that the majority clearly do not qualify for a waiver. Among those who do understand how to qualify for a waiver, it is common, for example, for individuals to insist that they do not get an adequate picture even though we know, and they acknowledge when asked, that our station is generally received throughout their neighborhoods without problems. Virtually none of the subscribers seeking waivers has ever attempted to measure our station's signal strength at the satellite subscriber receiving location, nor have such measurements been made by the satellite service providers. Many subscribers requesting waivers appear to assume that we will eventually grant waivers if their requests are persistently pursued. In cases in which we do conduct a field test and find that a subscriber seeking a waiver can

²(...continued)

in writing and the rest were received by telephone. Approximately one-third of the KAEF waiver requests were written and two-thirds were made by telephone. The higher percentage of "waiver" grants with respect to KAEF reflects the fact that KAEF is a UHF station operating in an area of mountainous terrain. KRCR-TV is a VHF station. Although KRCR-TV's service area also includes mountains, most viewers in that market live in the Sacramento River valley and our transmitter is ideally situated to provide an unobstructed signal down the valley.

receive a good (often an excellent) picture, the person requesting the waiver is usually surprised that we have taken the trouble to conduct the test. When we inform the subscriber of the test results, further pursuit of the waiver is almost always ended.

In a large majority of cases in which we find no facts to support waivers, the persons requesting the waivers accept our decision after having the facts explained to them. The small minority of waiver requesters who remain unsatisfied after receiving a denial appear to fall into three main categories:

(1) Those who express the view that their rights are being violated and/or the Federal government does not have the authority to enact legislation such as the Satellite Home Viewer Act.

(2) Those who maintain, regardless of the provisions of the Satellite Home Viewer Act, that they should always have a right to receive a picture equal in quality to the picture delivered by satellite. Particularly in the case of digital satellite signals, that would be an ultra-demanding test that analog broadcast stations generally could not meet even in areas in which their off-air signals are excellent by any accepted standard.

(3) Individuals who own recreational vehicles. We grant or deny such requests based on the usual location of the vehicle. Such vehicle owners appear not to understand that we have no authority to grant a waiver if the vehicle is traveling in some other station's market.

Our experience has been that individuals falling into the first two categories above are frequently energized by the efforts of their satellite carriers through websites such as the "SOS" site. These websites also urge subscribers to contact their elected representatives and the FCC and to ask for a change in the SHVA.

II. LAMCO'S EXPERIENCE IN THE MISSOULA AND BUTTE-BOZEMAN MARKETS

Lamco acquired its stations in the Missoula and Butte-Bozeman markets in May 1998. In July 1998, another Lamco employee and I reviewed A. C. Nielsen diaries for these markets for the May 1998 sweep period. Within the two day limit for diary reviews established by Nielsen, we were able to examine more than three-quarters of the diaries for the two market. As

noted above, 28.9% of the Missoula market homes and 24.8% of the Butte-Bozeman market homes are satellite subscribers.

Because the primary focus of our review at the time was not satellite viewing, we did not tabulate the satellite-related results of our examination. Our clear recollection, however, is as follows:

(1) Approximately two-thirds of the satellite-subscriber households in each Montana market were receiving distant network signals.

(2) Of those subscribers receiving distant network signals, approximately 60% to 65% appeared plainly to be illegally connected. Two factors led us to this conclusion. First, while the names and street addresses of diary respondents were not available to us, the communities in which they resided were identified in each case. Knowing the location of the city or other municipality provided a definite indication in most cases as to whether a signal of Grade B intensity is available from our station. (For example, a home located in Missoula itself can obviously receive a good signal from KECI-TV.) Second, there were a number of instances in which the same household diary would show viewing both of local network affiliates and viewing of distant network stations via satellite. A common example

would be the regular viewing of the "Today" show and other morning programs from our station on a kitchen television, while a second satellite-connected television set in the same home was used to view distant network affiliates in the evenings. In such cases, our station's signal would in all likelihood have been of Grade B intensity or better.

It is very disturbing to see so many illegal satellite network connections. It is doubly so in view of the way the illegal connections appear to have come about. I have been advised by employees of our Missoula station that the major electronics retailer in that market has been careful to explain distant network signal eligibility to potential customers. As a result, most such customers start out their satellite service without distant network signals. Typically, however, three or four months after commencing satellite service, these same customers receive telemarketing calls offering a package of services that includes distant network signals. No questions are asked, no mention is made of SHVA eligibility requirements, and these customers, if they buy the package, then become illegal hookups. This is extremely frustrating not only for us, but for the Missoula retailer, who has been doing the right thing and has been complying with the law.

CONCLUSION

The major problems experienced under the SHVA are those of patently unlawful delivery of distant network signals to ineligible subscribers, usually by satellite providers and marketers who make no effort even to inquire as to whether local stations can be received off the air. I believe that most broadcasters are following the practice we attempt to follow, which is to grant distant signal waivers in those cases in which the facts warrant waivers and to deny waivers when distant network signals simply duplicate network service that we are already supplying.

Because the procedures we use in applying the SHVA seem to work reasonably well for both viewers and our stations, I see no basis for any fundamental changes in the standards for distant signal eligibility under the SHVA. While we do not object to use of Longley-Rice signal strength prediction techniques, which provide a reasonable basis for predicting signal strength in all areas served by a television station, there is no need for other rule modifications other than those that would provide a better

means of policing the actions and practices of satellite service providers and their marketing agents.

Respectfully submitted,

LAMCO COMMUNICATIONS, INC.



Marshall R. Noecker, President

December 11, 1998